



Electronic Access Conference
*e***magine**
2001

Student Financial Assistance

THE U.S. Department of
EDUCATION



COD: The Big Picture



Agenda

- Background
- Goal
- Overview of COD
- Features and Improvements
- What's Next
- Where to Get Information



COD: How it Started

Focus Groups of School (Nov-Dec 1999)

- Conceptual Design
- Key Components



COD School Partners

- User Steering Committee
- Software Developers and 3rd Party Servicers
- FFEL Community and State Grant Agencies



COD Is the Process for Integrating Systems

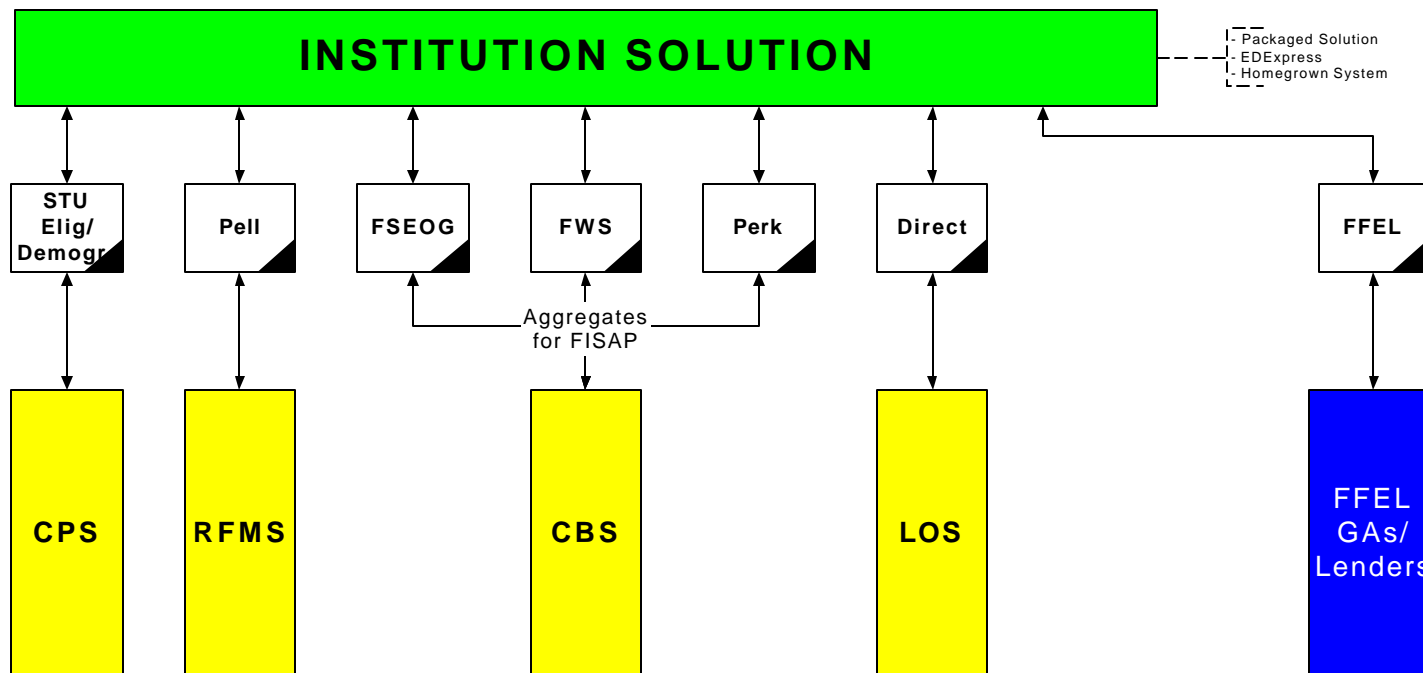
- Redefines aid origination and disbursement processes for Pell Grants and Direct Loans, and provides optional common reporting opportunities for campus-based programs
- Integrates a common process with a system designed to support origination, disbursement, and reporting



COD Is the Process for Integrating Systems

- Replaces the Recipient Financial Management System (RFMS) and the Direct Loan Origination System (DLOS) with an integrated common system in 2002-2003
- Increases accountability and program integrity

Current Environment



State Grants, Alternative Loans and Other...



Current Processes

- Program Centric
- Separate processes, systems, customer service, technical reference
- Different record layouts, data definitions and general eligibility edits
- Duplicate and inaccurate data
- Separate origination and disbursement processes
 - Two-Step process
 - Four distinct record layouts



Current Processes, Cont'd

■ Change records

- Requires re-submission of all data elements
- Two distinct record layouts
- Different process for Pell and DL ("Netting" Vs Replacement Values)

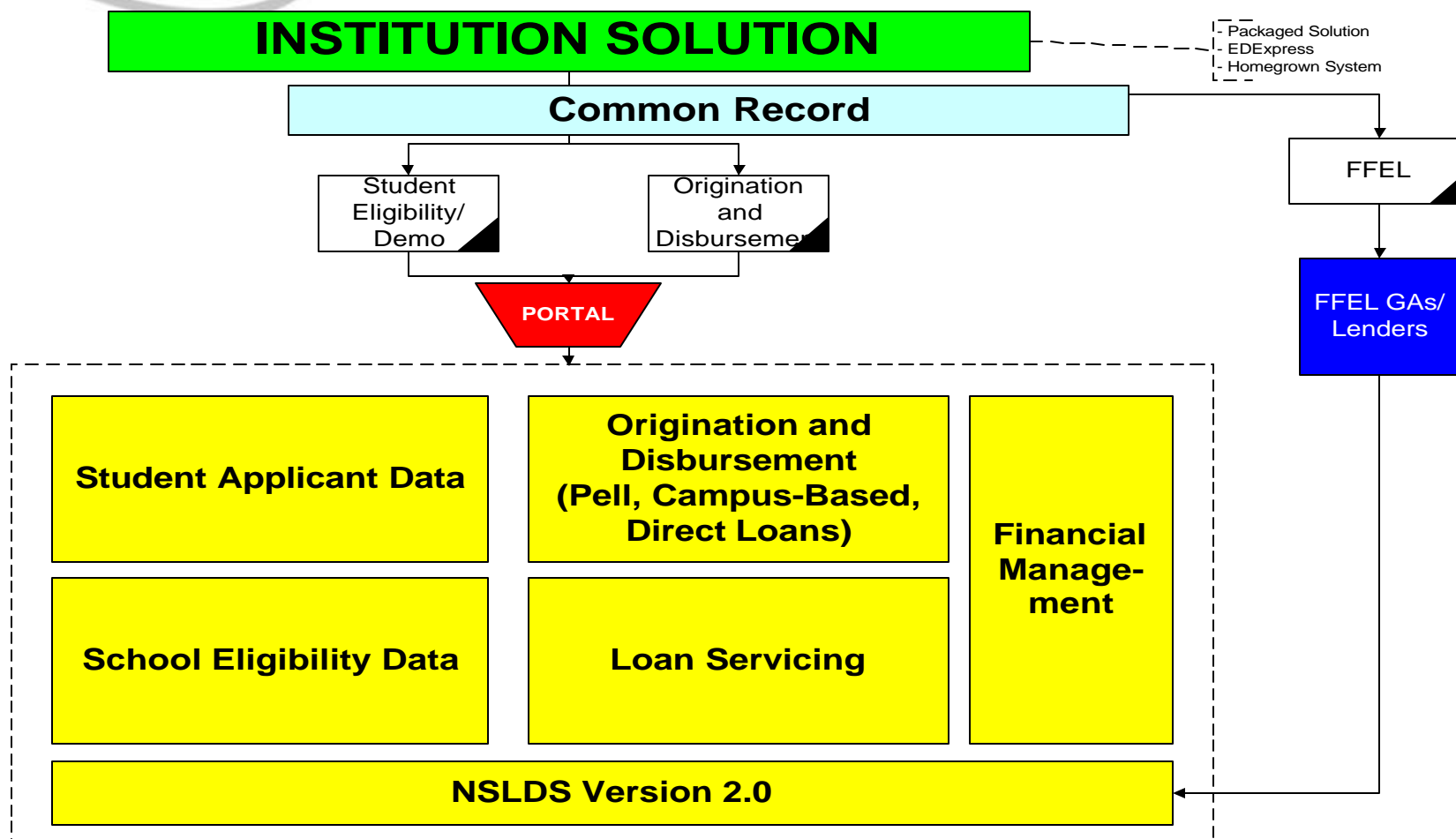
■ Costly—redundancy expensive



COD Goal

To promote program integrity and offer schools simplicity, accuracy and improved access to data

COD: Future Environment





COD End State Features

- Process change only, **no change to programs**
- Student Centric
- Single COD system
- Common process
 - Common Record for origination, disbursement and changes



COD End State Features- Cont'd

- Processing Options
 - Single step: disbursement function or
 - Two steps: edit only and disbursement functions
- One customer service point of contact
- Optional reporting for campus-based programs
- Opportunity for use by FFEL, state grants, alternative loans, etc.



COD End State Features- Cont'd

- On-Line access to view and update school, student, award and disbursement data
- Easier reconciliation and fund accounting



COD Common Record

■ **"Common"** because

- It serves many different financial aid programs
- It replaces the separate record layouts for origination, disbursement and change records
- It has common data elements and definitions, where applicable, across program



COD Common Record and XML

- XML: **E**xtensible **M**arkup **L**anguage
- Data files are machine and human readable
- The entire document or portions of the common record can be transmitted
- The common record is *extensible*--additional information can be added easily



Comparison of records

Traditional record:

SUE SMITH 44723292219820921 Y

XML record:

```
<Individual>
  <GivenName>
    <FirstName>Sue</FirstName>
    <MiddleInitial> </MiddleInitial>
    <LastName>Smith</LastName>
  </GivenName>
  <SSN>447232922</SSN>
  <DateOfBirth>19820921</DateOfBirth>
  <ContactInfo></ContactInfo>
  <OptOut>Yes</OptOut>
</Individual>
```



Characteristics of Change

Current

Future

Processing —————→ periodic in seconds

Communication
with schools —————→ TIVWAN Internet

Data organization —————→ By program By student



Current Process Structured By Program

Pell Grant	Direct Loan	Alternative Loan	Perkins Loan	FFELP Loan
Bill Boyce Jane Jones Sue Smith	Jane Jones Sue Smith	Sue Smith	Jane Jones	Bill Boyce



COD Process Structured by Student

Bill Boyce

Pell Grant
FFELP Loan

Jane Jones

Pell Grant
Direct Loan
Perkins Loan

Sue Smith

Pell Grant
Direct Loan
Alternative
Loan

As Transmitted

Sent to SFA

Bill Boyce
Pell Grant
FFELP Loan

Jane Jones
Pell Grant
Direct Loan
Perkins Loan

Sue Smith
Pell Grant
Direct Loan
Alternative Loan

Bill Boyce
Pell Grant

Jane Jones
Pell Grant
Direct Loan
Perkins Loan

Sue Smith
Pell Grant
Direct Loan

Sent to Lenders

Bill Boyce
FFELP Loan

Sue Smith
Alternative Loan



COD School Participation

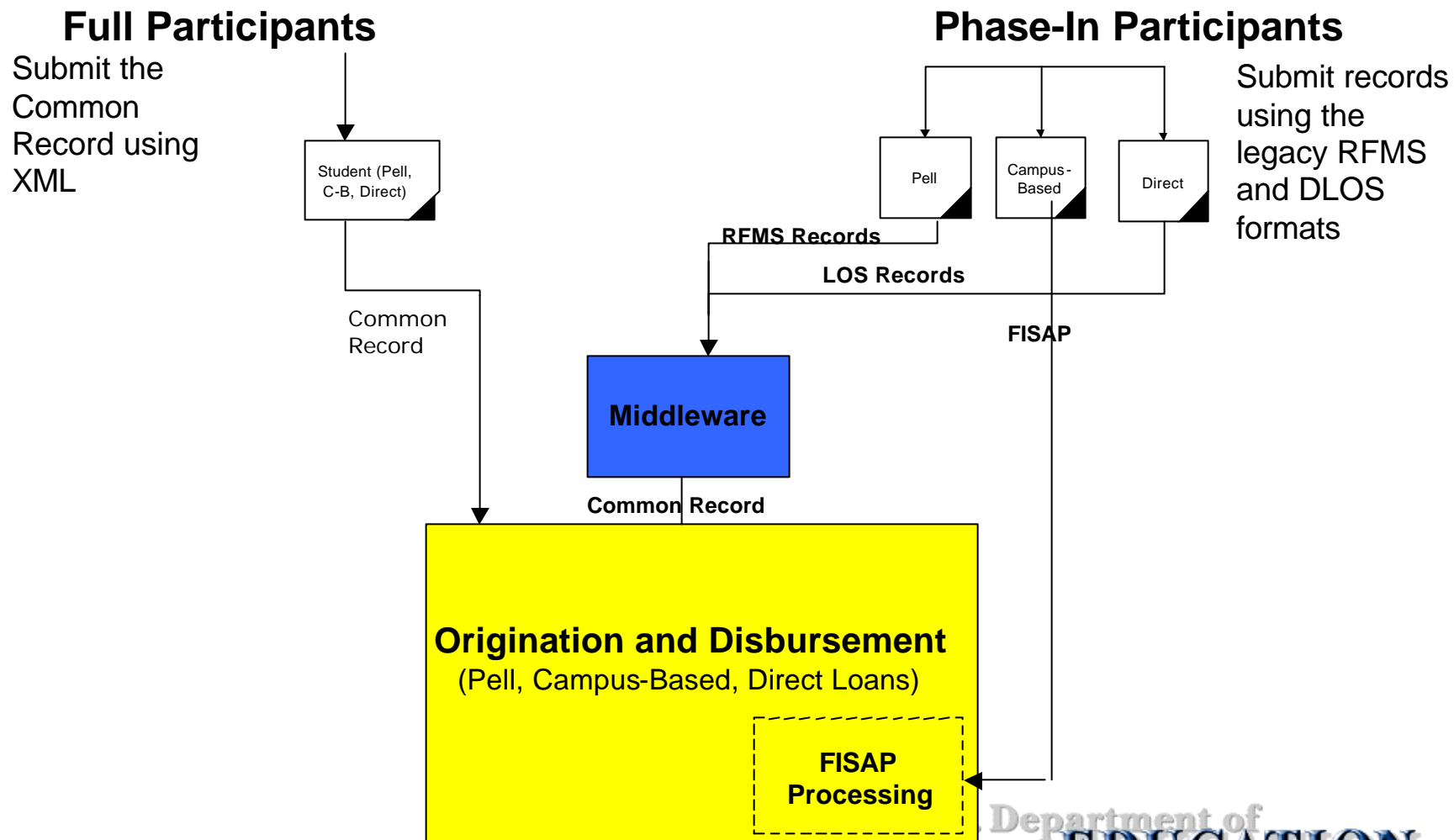
■ Full Participation Schools

- Submit the common record using XML

■ Phase-in Participation Schools

- Submit records using the 2002-03 RFMS & DLOS formats

COD: 2002-2003 Environment





Summary of COD Features and Improvements

All Schools April 2002

- All rejects (Pell and Direct Loan) stored and viewable via the web
- Web Access to:
 - Real-time processing statistics (e.g.: # submitted, # accepted/ rejected/ corrected, % rejected by edit type) to help a school target improvements to its business process
 - Consolidated funding information (e.g.: \$ drawn by program, progress towards 30-day requirement)



Summary of COD Features and Improvements – Cont'd

All Schools April 2002

- Single Web site optional access to Pell Grant, Direct Loan and campus-based information, 24x7
- Integrated customer service
- Integrated views



What's Different? ACCESS TO DATA Integrated System

- Core integration at **STUDENT** level
- Multi-dimensional integration of data
 - by **SCHOOL**
 - by **PROGRAM**
- Integration with applicant data (CPS)
- Integrated funds management data
(FMS & GAPS)

COD: Integrated Views

SAMPLE

BY STUDENT

Student A	02-03
Pell	2,000.00
FSEOG	800.00
DL - Sub	2,625.00
TOTAL	5,425.00

BY SCHOOL

School	02-03	03-04	% Chg
Pell	9,500,000	10,250,980	7.9%
FSEOG	800,000	784,000	2.0%
Perkins	1,200,000	1,200,000	0.0%
DL - Sub	25,568,900	30,652,600	19.9%
DL - Unsub	10,560,400	19,870,900	88.2%
TOTAL	47,629,300	62,758,480	

BY PROGRAM

Pell Grants		
Year	Amount	# Recipients
02-03	8,032,750,920	5,750,921
03-04	9,254,300,600	6,140,569
TOTAL	17,287,051,520	11,891,490



Summary of COD Features and Improvements, Cont'd

All schools—cont'd

■ Student Identifier

- New student ID is Current SSN, Date of Birth, and Last Name
 - Report Institution ID? Available on the Common Record



Summary of COD Features and Improvements

All Schools-cont'd

■ Processing Options:

- Whether or not to receive responses (i.e.: acknowledgements) for activity performed on the Web
- How school wants to receive increases in funding based on student records: (1) funds 'pushed' via electronic transfer or (2) funds made available for drawdown
- Rejected records - Pell Grants: (1) reject outright or (2) correct data and send notification



Summary of COD Features and Improvements - Cont'd

All Schools-cont'd

- For Pell Grant POP/MRR cases COD takes pro-active approach
- Pell Grant and Verification status code
 - Blank if not selected for verification/selected but verification not required
 - V if verified
 - W if paid without documentation



Summary of COD Features and Improvements - Cont'd

All Schools-cont'd

- In Direct Loans, COD can process disbursement records 7 calendar days in advance of disbursement date
- Reports/tools to assist with funds management



COD: Management Tool

SAMPLE

Progress Toward 30-Day Requirement

8/30

02-03 PELL

Total Funds Drawn	\$ 12,550,000
Net Accepted Disbursements	\$ 5,550,000
Unsubstantiated Funds Amount	\$ 7,000,000 (55.8%)

Amount Over 30 Days
\$ 0

Drawdown Detail

Date	Amount	Substantiating Records	Unsubstantiated Funds Amount	%	Days Remaining for On Time Reporting
08/05/02	2,550,000	2,550,000	0	0	--
08/10/02	10,000,000	3,000,000	7,000,000	70.0	10 Days
Total:	\$ 12,550,000	\$ 5,550,000	\$ 7,000,000	55.8%	

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Summary of COD Features and Improvements

Full Participants

- Resolve rejects via the Web
- Submit new records via the Web
- “Release” edit-only records (i.e.: submit disbursement records) via the Web



Summary of COD Features and Improvements

Full Participants-cont'd

- Same process for reporting changes to Pell Grant and Direct Loan
- Flexible record format: only send data required, send data only once unless change occurs



Summary of COD Features and Improvements, Cont'd

Full Participants-cont'd

- *Optional* reporting of data elements (required today) that already exist in CPS
- *Optional* campus-based reporting to pre-populate portions of the FISAP



Summary of COD Features and Improvements, Cont'd

Full Participants-cont'd

- Option of whether to receive a 'full' response (i.e.: acknowledgement with all the data reported for the student to load into school software) as opposed to the standard response, which includes only identifiers, record status and specific information on failed edits.



Summary of COD Features and Improvements, Cont'd

Full Participants-cont'd

- Change to date can be reported via the Web
- School Identifier
 - New, common school identifier, instead of Pell ID or E/G Code

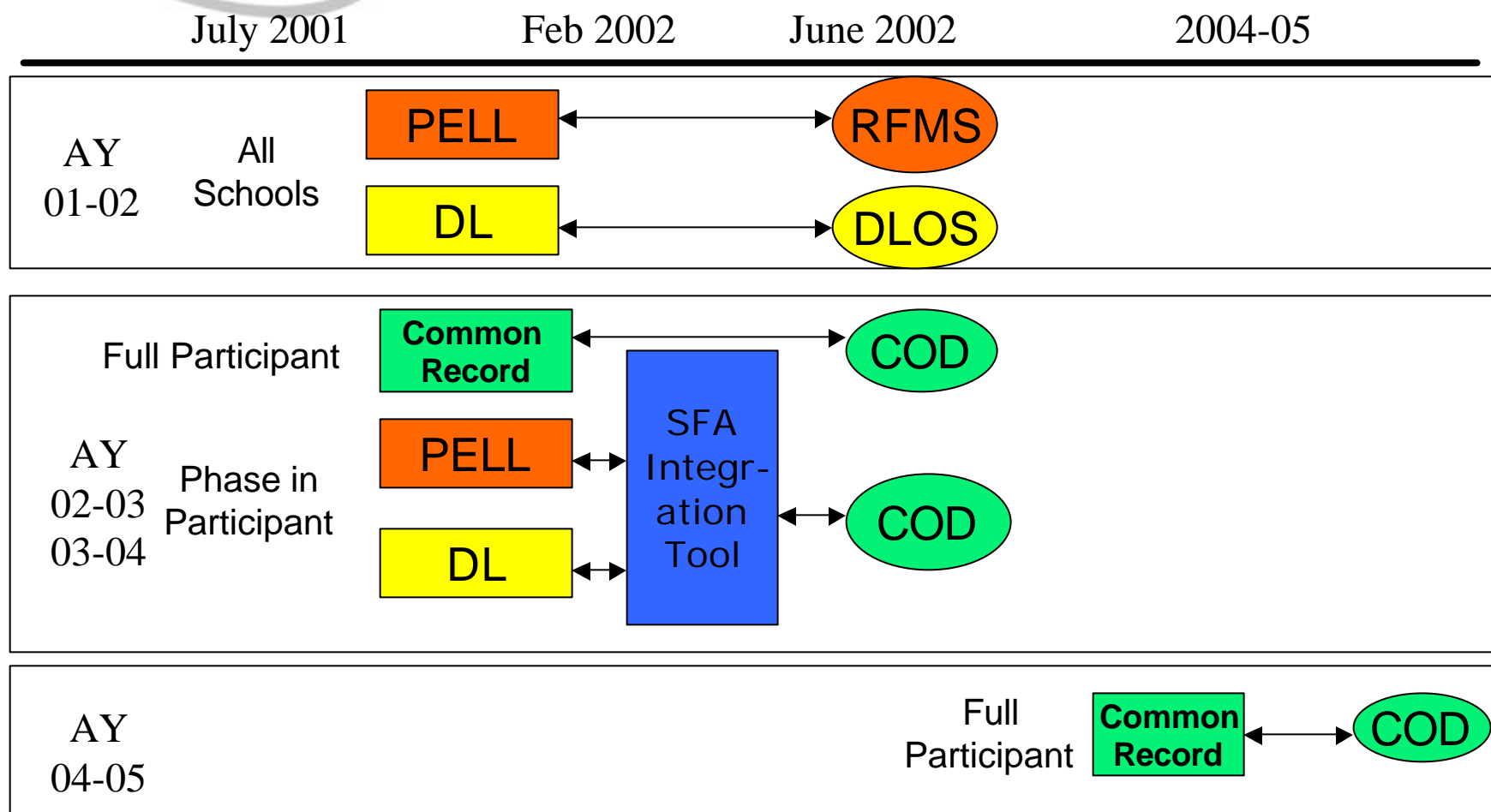


Summary of COD Features and Improvements, Cont'd

Full Participants-cont'd

- For Pell Grant change records
 - Disbursement amount is replacement value, not adjustment
 - Sequence number required
- For Pell Grants, pennies can be reported in all amount fields (including award amount)
- For Direct Loans, the CPS transaction number is required on Common Record

COD: Transition





Customer Service Vision

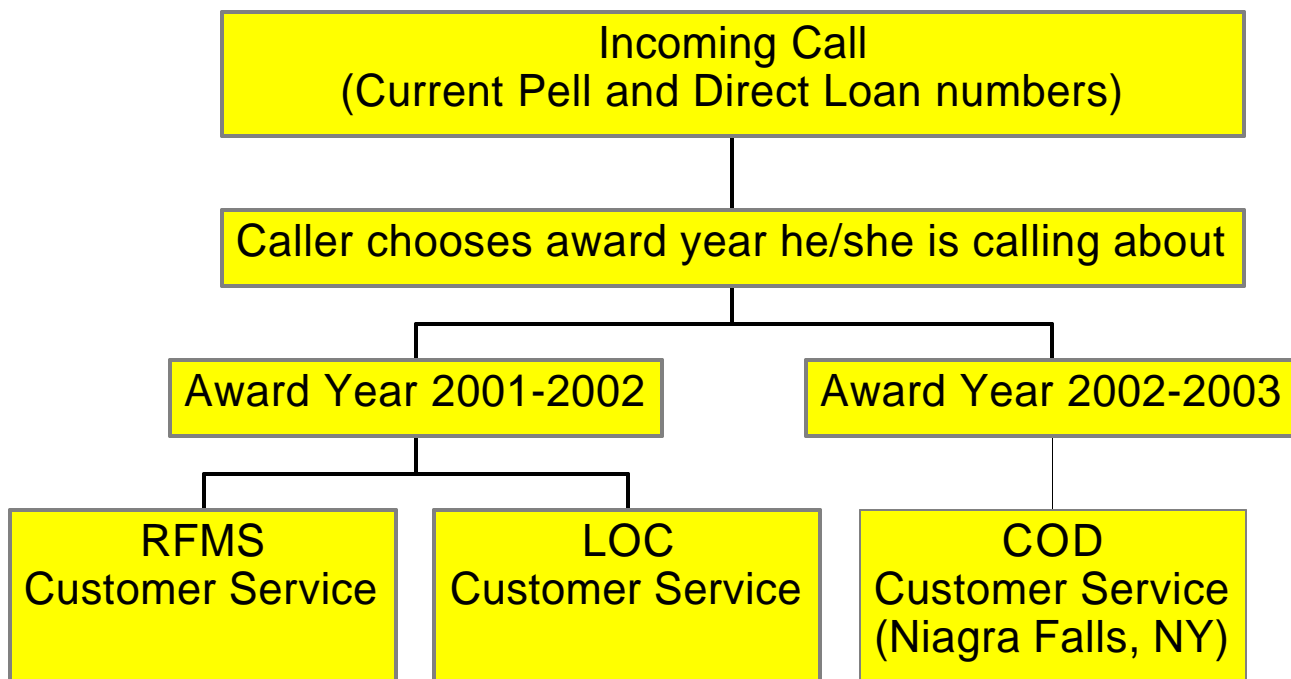
"Common Origination and Disbursement Customer Service is about more than exception processing. It's about creating a smooth day-to-day Federal Financial Student Aid delivery process to meet your customer needs."

Key Customer Service Initiative:

- Provide customer service that anticipates customer needs
- Maximize self-service for Pell, Direct Loans, and Campus Based processing
- Provide single point of service and combined support for origination and disbursement process



COD Customer Service Transition Beginning April 2002





Operating Basics

- Hours of Operations: 8 a.m to 8 p.m. eastern
- Toll-free Customer Service Numbers:
 - Current RFMS Customer Service 1-800-474-7268
 - Current DLOS Customer Service 1-800-848-0978
- New Mailing Address to come



What's Next

- Test Environment for Schools, 3rd Party Servicers and Software Developers → Fall '01-Wi '02
- System begins to process 02-03 transactions → April '02



COD's Progress

For updates on COD's development, go to :

- *Information for Financial Aid Professionals (IFAP): ifap.ed.gov*

Current Publications by Title

Common Origination & Disbursement
2002-2003 Award Year

Or

<http://ifap.ed.gov/IFAPWebApp/currentCODYearPag.jsp?p1=2002-2003&p2=c>

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IFAP - Information for Financial Aid Professionals - Microsoft Internet Explorer

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Address <http://ifap.ed.gov/IFAPWebApp/currentCODYearPag.jsp?p1=2002-2003&p2=c> Go

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CSCC

SFA Library - Current SFA Publications - - Common Origination & Disbursement (COD)

Common Origination & Disbursement: Questions about the Common Origination and Disbursement process can be sent to the Customer Service Call Center using IFAP's "Feedback" button, found in the upper right hand corner of the IFAP pages.

[10/05/2001](#) The COD Technical Reference Version 3.0 is now available.

[09/28/2001](#) Common Origination and Disbursement is Coming!

[08/31/2001](#) XML Schema for the Common Record

[08/24/2001](#) Version 2.1 of the Draft Common Origination and Disbursement Technical Reference

[08/08/2001](#) Version 2.0 of the Draft Common Origination and Disbursement Technical Reference

[07/22/2001](#) 2001 NASFAA Conference Common Origination and Disbursement Presentation Materials

[07/20/2001](#) An Overview of the Common Origination and Disbursement(COD) Process.

[07/20/2001](#) Draft of the Common Origination and Disbursement Technical Reference

[07/19/2001](#) An Overview of XML and the Common Record

[07/19/2001](#) Frequently Asked Questions About Common Origination and Disbursement (COD)

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And Finally...

We appreciate your feedback and questions.

Customer Service Call Center

800-433-7327 M-F 9-5 ET

Sfa.customer.support@ed.gov